

HOUSE BILL No. 4101

January 29, 2019, Introduced by Reps. Frederick, Chirkun, Ellison, Hoitenga, Lower and Huizenga and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 2018 PA 57, entitled
"Recodified tax increment financing act,"
by amending section 204 (MCL 125.4204).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 204. (1) Except as provided in subsections (7), (8), and
2 (9), an authority shall be under the supervision and control of a
3 board consisting of the chief executive officer of the municipality
4 **OR HIS OR HER DESIGNEE FROM THE GOVERNING BODY OF THE MUNICIPALITY**
5 and not less than 8 or more than 12 members as determined by the
6 governing body of the municipality. Members shall be appointed by
7 the chief executive officer of the municipality, subject to
8 approval by the governing body of the municipality. Not less than a
9 majority of the members shall be persons having an interest in

1 property located in the downtown district or officers, members,
2 trustees, principals, or employees of a legal entity having an
3 interest in property located in the downtown district. Not less
4 than 1 of the members shall be a resident of the downtown district,
5 if the downtown district has 100 or more persons residing within
6 it. Of the members first appointed, an equal number of the members,
7 as near as is practicable, shall be appointed for 1 year, 2 years,
8 3 years, and 4 years. A member shall hold office until the member's
9 successor is appointed. Thereafter, each member shall serve for a
10 term of 4 years. An appointment to fill a vacancy shall be made by
11 the chief executive officer of the municipality for the unexpired
12 term only. Members of the board shall serve without compensation,
13 but shall be reimbursed for actual and necessary expenses. The
14 chairperson of the board shall be elected by the board. The rules
15 of procedure or the bylaws of the authority may provide that a
16 person be appointed to the board in his or her capacity as a public
17 official, whether appointed or elected. The rules of procedure or
18 bylaws may also provide that the public official's term shall
19 expire upon expiration of his or her service as a public official.
20 In addition, the public official's membership on the board expires
21 on his or her resignation from office as a public official.

22 (2) Before assuming the duties of office, a member shall
23 qualify by taking and subscribing to the constitutional oath of
24 office.

25 (3) The business which the board may perform shall be
26 conducted at a public meeting of the board held in compliance with
27 the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public

1 notice of the time, date, and place of the meeting shall be given
2 in the manner required by the open meetings act, 1976 PA 267, MCL
3 15.261 to 15.275. The board shall adopt rules consistent with the
4 open meetings act, 1976 PA 267, MCL 15.261 to 15.275, governing its
5 procedure and the holding of regular meetings, subject to the
6 approval of the governing body. Special meetings may be held if
7 called in the manner provided in the rules of the board.

8 (4) Pursuant to notice and after having been given an
9 opportunity to be heard, a member of the board may be removed for
10 cause by the governing body. Removal of a member is subject to
11 review by the circuit court.

12 (5) All expense items of the authority shall be publicized
13 monthly and the financial records shall always be open to the
14 public.

15 (6) In addition to the items and records prescribed in
16 subsection (5), a writing prepared, owned, used, in the possession
17 of, or retained by the board in the performance of an official
18 function shall be made available to the public in compliance with
19 the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

20 (7) By resolution of its governing body, a municipality having
21 more than 1 authority may establish a single board to govern all
22 authorities in the municipality. The governing body may designate
23 the board of an existing authority as the board for all authorities
24 or may establish by resolution a new board in the same manner as
25 provided in subsection (1). A member of a board governing more than
26 1 authority may be a resident of or have an interest in property in
27 any of the downtown districts controlled by the board in order to

1 meet the requirements of this section.

2 (8) By ordinance, the governing body of a municipality that
3 has a population of less than 5,000 may have the municipality's
4 planning commission created pursuant to former 1931 PA 285 or the
5 Michigan planning enabling act, 2008 PA 33, MCL 125.3801 to
6 125.3885, serve as the board provided for in subsection (1).

7 (9) If a municipality enters into an agreement with a
8 qualified township under section 203(7), the membership of the
9 board may be modified by the interlocal agreement described in
10 section 203(7).